



State of Utah
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DIVISION OF OIL, GAS AND MINING

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April 14, 2000

TO: Minerals File

FROM: Doug Jensen, Reclamation Specialist *D. Jensen*

RE: Site Inspection, North Lily Mining Company, Tintic Heap Leach Project, M/023/007,
Juab County, Utah

Date of Inspection: April 13, 2000
Time of Inspection: 9:30 A.M.
Conditions: Warm and Windy
Participants: Walt Siebert, North Lily Mining Company; Bob Bayer, JBR Consultants; Beth Wondimu, DWQ; and Doug Jensen, DOGM

Purpose of Inspection: Site Review to Discuss Tintic Project Final Closure & Reclamation Scheduling.

Beth and I arrived at the Tintic Heap Leach Project at 9:30 A.M. Bob Bayer and Walt Siebert were at the site awaiting our arrival, no other North Lily employees were present.

Walt explained a plan which he had envisioned to place the "fogger nozzles" on the East facing portion of the heap. The plan would involve using a trackhoe to level a portion of the heap approximately ten to fifteen feet above the ditch on this side of the heap. The area that was discussed presently has some heap material in a berm above the ditch. The berm was placed in this area when North Lily reestablished the East ditch, which had been filled in when the heap was resloped. This level area would be used to place the solution line for the fogger system. The area would be the width of the trackhoe and approximately 1500' long.

I felt that this would be a good approach because it would allow the saturated portion of the heap, where the sprays are presently running, to drain down. Also placing the new spray line lower on the heap would give us a better handle on the solution inventory. Because there would be less material impacted in the new spray area, there would be less of the solution retained in the heap.

Walt explained that as the trackhoe is establishing the level area for the sprays, the ditch which is located below will be cleaned out. Walt expressed concern that the perforated pipe, which was placed in the ditch when the pad was resloped, would possibly be damaged or portions removed. I stated that the drainline is presently not functioning and would need to be replaced when the heap is closed. Proper placement of this line will be necessary to assure that there will be no surface water emanating from

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the heap area after final reclamation. Cleaning the ditch will also allow North Lily to better assess the condition of the liner in the ditch and make proper repairs if needed.

The next place visited was the top of the heap. From this vantage point the topsoil storage area was pointed out. Also two potential borrow area were pointed out. While the trackhoe is on site it was suggested that test pits could be dug in several areas to approximate the depth of the soil, and to provide material to be sent to a soils lab to check the viability of this material.

While on the heap a discussion took place outlining an area where the salt saturated heap material could be placed, if this becomes necessary to facilitate closure.

From this point we visited the pond areas. The secondary liner in the barren pond has two major tears that have appeared since my March 15, 2000 site inspection. The first tear is located on the southeast corner of the pond. It appears to be an area where the wind has started to rip the liner where a major tear on the outer edge of the pond had been noted on my last inspection. This tear has exposed a triangle shaped area of dirt with a base of approximately twenty feet by fifteen feet high. The second tear is on the north side of the pond and is approximately six to seven feet long, running vertically down the side of the pond. The present water level in the barren pond is approximately two feet below the lowest portion of this tear. If this tear continues to run down the side of the pond, the solution presently contained in the pond will have to be removed. These new tears brings into concern the viability of the secondary liner in the barren pond. The water levels in the ponds are essentially the same as they were on March 15, with the exception of the preg pond which was about a foot lower than last month.

Walt informed me that the 10,000 (approx) gallon tank located on the North side of the barren pond still contained liquid caustic soda. Because there was no way to access the top of the tank, no estimate was made as to the amount of fluids contained in the tank. Also in the same area, four barrels of cyanide were noted. I suggested that these barrels be secured in the process building. Bob stated that the condition of the barrels may be of concern and I mentioned that if that were the case they should be placed in container paks. This will be necessary at a later date when they will be removed from the site.

Walt stated that he was planning to hire three college students to begin clean-up the site and pile materials where they can be disposed of later. This will be done if funds are available from North Lily Mining to hire these individuals.

Walt stated that a pump company was presently "sizing" a pump that would satisfy the flow and pressure requirements of the fogger nozzles. When this information is available a new pump and possibly piping would be ordered. There is some question as to the possibility that some of the piping presently on site would suffice to eliminate the need to buy new piping. The flow meter and totalizer will be installed at the time that the pump is installed.

We discussed the need to bring a boat to the site to place a depth gauge in the preg pond. This would give a point for estimating the amount of solution in the pond. The gauge would be used to

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chart solution inventories. This pond inventory would be an estimate because the amount of heap material presently in the pond has not been quantified.

I told Walt that we needed to be kept informed of any changes taking place at the site in case we would require some verification and comment. Walt stated that he would keep us informed of progress at the site.

Beth and I left the site at 12:30 P.M. for Salt Lake.

jb
cc: Steve Fletcher, North Lily Mining Company
Beth Wondimu, DWQ
Mary Ann Wright, DOGM
Wayne Hedberg, DOGM
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